

LAW OFFICES  
**MILES & STOCKBRIDGE P.C.**  
10 LIGHT STREET

BALTIMORE, MARYLAND 21202-1487

TELEPHONE 410-727-6464

FAX 410-385-3700

CAMBRIDGE, MD  
COLUMBIA, MD  
EASTON, MD  
FREDERICK, MD

McLEAN, VA  
ROCKVILLE, MD  
TOWSON, MD  
WASHINGTON, D.C.

September 24, 2002

**VIA FEDERAL EXPRESS**

Surface Transportation Board  
1925 K Street, NW  
Washington, D.C. 20423-0001  
Attn: Ms. Ellen Keyes

REGISTRATION NO.

24124-B FILED

SEP 25 '02

3-03 PM

**SURFACE TRANSPORTATION BOARD**

RECEIVED  
SEP 25 2002  
MAIL  
MANAGEMENT  
SIB

Re: Filing of Memorandum of Commercial Security Agreement between Midwest Railcar Corporation and First Mid-Illinois Bank and Trust, N.A.  
(Purchase of 12 Boxcars under Lease to Mississippi Central Railroad Co.)

Dear Ms. Keyes:

Enclosed for recordation as a secondary document to the Memorandum of Lease, dated June 27, 2002, filed on this date under separate cover pursuant to the provisions of 49 U.S.C. Section 11301(a) are (3) three original Memorandum of Commercial Security Agreement between Midwest Railcar Corporation and First Mid-Illinois Bank and Trust, N.A., as defined in the Board's Rules for the Recordation of Documents for filing.

The names and addresses of the parties to the enclosed document are:

Debtor: Midwest Railcar Corporation  
3 Professional Park Drive, Suite B  
Maryville, Illinois 62062

Secured Party: First Mid-Illinois Bank & Trust  
12616 State Route 143  
Highland, IL 62249

A description of the railroad equipment covered by the enclosed documents is:

Twelve (12) 60ft. 100-ton used boxcars bearing car marks and numbers as listed on Exhibit A to said Memorandum of Commercial Security Agreement.

A short summary of the document to appear in the index follows:

Surface Transportation Board  
May 15, 2002  
Page 2

**MILES & STOCKBRIDGE P.C.**

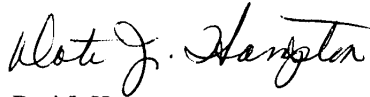
Memorandum of Commercial Security Agreement between Midwest Railcar Corporation, as Debtor and First Mid-Illinois Bank and Trust, N.A., as Secured Party covering Twelve (12) 60ft. 100-ton used boxcars bearing car marks and numbers as listed on Exhibit A to said Memorandum of Commercial Security Agreement.

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board to cover the required recordation fee.

Please kindly return stamped copies of the enclosed document to the undersigned at the above-listed address.

Also, please call (410) 385-3423 to confirm your receipt of the enclosed items.

Very truly yours,

A handwritten signature in black ink, appearing to read "Doti J. Hampton". The signature is fluid and cursive, with the first name "Doti" being more prominent.

Doti J. Hampton  
Legal Assistant

Enclosures

RECORDATION NO. 24124-B FILED

SEP 25 '02

3-03 PM

SURFACE TRANSPORTATION BOARD

---

---

**MEMORANDUM OF COMMERCIAL SECURITY AGREEMENT**

**dated September 12, 2002**

**by and between**

**MIDWEST RAILCAR CORPORATION,  
as Debtor**

**and**

**FIRST MID-ILLINOIS BANK AND TRUST, NA  
as Secured Party**

---

---

## **MEMORANDUM OF COMMERCIAL SECURITY AGREEMENT**

THIS MEMORANDUM OF COMMERCIAL SECURITY AGREEMENT (this "Memorandum") is made this 12<sup>th</sup> day of September, 2002, by and between MIDWEST RAILCAR CORPORATION, an Illinois corporation ("Borrower"), and FIRST MID-ILLINOIS BANK AND TRUST, NA, a state-chartered Federal Reserve Member bank organized under the laws of the State of Illinois ("Bank").

A. The Borrower and the Bank are parties to that certain Loan Agreement ("Agreement") dated August 28, 2002 pursuant to which the Bank agreed to make to the Borrower the loan described in the Agreement.

B. To secure the Borrower's Obligations (as defined in the Agreement) to the Bank, the Borrower executed and delivered to the Bank a Commercial Security Agreement dated September 12, 2002 pursuant to which the Borrower granted to the Bank a continuing, first priority security interest in and to, and lien on, the following collateral:

(a) Twelve (12) boxcars described on Exhibit A attached hereto (each, a "Railcar", collectively, the "Railcars") and all replacements and substitutions thereof;

(b) all improvements, additions, modifications, accessions, attachments, appurtenances and parts appertaining or attached to the Railcars, whether now owned or hereafter acquired;

(c) all logs, books and records pertaining to the use, operation and/or maintenance of the Railcars or otherwise relating to any of the collateral described herein;

(d) all rights, claims and causes of action, if any, which the Borrower may have now or in the future against any manufacturer, rebuilder or seller of the Railcars (or any component thereof) or any other Person, by contract or otherwise, in respect of any defect in the Railcars or any part thereof;

(e) any agreement now or hereafter entered into for leasing the Railcars to any third party, including, without limitation, Schedule No. 1 dated June 27, 2002 between the Borrower and Mississippi Central Railroad Co., and the right to receive all payments and other sums due and to become due from time to time thereunder, to receive all notices and give consents, to exercise any election or option, to declare defaults and to demand payment of any sum due in connection therewith;

(f) all rent, damages and other moneys from time to time payable to or receivable by the Borrower in respect of the Railcars;

(g) all proceeds (cash and non-cash), including insurance proceeds, settlement proceeds and condemnation awards thereof.

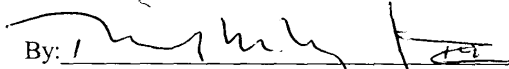
[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the date first above written.

WITNESS:

MIDWEST RAILCAR CORPORATION

\_\_\_\_\_

By:   
Richard M. Murphy, III, President

WITNESS:

FIRST MID-ILLINOIS BANK AND TRUST, NA

\_\_\_\_\_


By: \_\_\_\_\_

STATE OF MINNESOTA, \_\_\_\_\_ OF \_\_\_\_\_

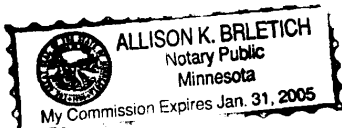
On this 13<sup>th</sup> day of September, 2002, before me, a Notary Public of the City and State aforesaid, personally appeared Richard M. Murphy, III, to me personally known, who being by me duly sworn, says that he is the President of Midwest Railcar Corporation, an Illinois corporation, that the seal affixed to the foregoing instrument is the seal of said association, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal

(Seal)

  
Notary Public

My commission expires: 1-31-05



IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the date first above written.

WITNESS:

MIDWEST RAILCAR CORPORATION

\_\_\_\_\_

By: \_\_\_\_\_  
Richard M. Murphy, III, President

WITNESS:

FIRST MID-ILLINOIS BANK AND TRUST, NA

Donna Zehurst

By: Gordon D. Smith

STATE OF MINNESOTA, \_\_\_\_\_ OF \_\_\_\_\_

On this \_\_\_\_ day of September, 2002, before me, a Notary Public of the City and State aforesaid, personally appeared Richard M. Murphy, III, to me personally known, who being by me duly sworn, says that he is the President of Midwest Railcar Corporation, an Illinois corporation, that the seal affixed to the foregoing instrument is the seal of said association, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal

(Seal)

\_\_\_\_\_  
Notary Public

My commission expires:

STATE OF ILLINOIS, County OF Madison

On this 13 day of September, 2002, before me, a Notary Public of the City and State aforesaid, personally appeared Gordon D. Smith, to me personally known, who being by me duly sworn, says that he is a Community President of FIRST MID-ILLINOIS BANK AND TRUST, NA, that the seal affixed to the foregoing instrument is the seal of First Mid-Illinois Bank and Trust, NA, that said instrument was signed and sealed on behalf of First Mid-Illinois Bank and Trust, NA by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of First Mid-Illinois Bank and Trust, NA.

AS WITNESS my hand and notarial seal



Tricia Buehne  
Notary Public

My commission expires: 12/31/05

EXHIBIT A

DESCRIPTION OF RAILCARS

Twelve (12) 60ft. 100-ton used boxcars bearing the following car marks and numbers:

OLD MARKS & NUMBERS

NEW MARKS & NUMBERS

1. MP 377030	GNWR 98000
2. MP 377022	GNWR 98001
3. MP 377024	GNWR 98002
4. MP 377031	GNWR 98003
5. MP 377050	GNWR 98004
6. MP 377053	GNWR 98005
7. MP 377065	GNWR 98006
8. MP 377049	GNWR 98007
9. MP 377056	GNWR 98008
10. MP 376465	GNWR 98009
11. MP 376125	GNWR 98010
12. MP 376264	GNWR 98011